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MAY 9, 1946

# Town Meeting



BULLETIN OF AMERICA'S TOWN MEETING OF THE AIR

BROADCAST BY STATIONS OF THE AMERICAN BROADCASTING CO.



## Should the OPA Be Continued Without Restrictions?

*Moderator,* GEORGE V. DENNY, JR.

### *Speakers*

LEON HENDERSON  
WILLIAM H. JOYCE, JR.

FULTON LEWIS, JR.  
LEE O'DANIEL

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### COMING

—May 16, 1946—

**Science: Salvation or Destroyer of Mankind?**

—May 23, 1946—

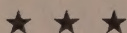
**Are Church Creeds Essential to a Religious Life?**

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#### "Science: Salvation or Destroyer of Mankind?"



### THE BROADCAST OF MAY 23:

#### "Are Church Creeds Essential to a Religious Life?"



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# Town Meeting



BULLETIN OF AMERICA'S TOWN MEETING OF THE AIR

GEORGE V. DENNY, JR., MODERATOR



MAY 9, 1946

VOL. 12, NO. 2

## Should the OPA Be Continued Without Restrictions?

### Announcer:

Good evening, friends, and welcome to Huntington, West Virginia, celebrating her 75th Anniversary with pride in her past, confidence in her future, and a firm resolve that she shall always have a good place to live, work, and play. Tonight America's Town Meeting is the guest of the Huntington Chamber of Commerce, Marshall College, and Station WSAZ. Huntington is proud to welcome our distinguished speakers on America's most popular radio forum and its famous leader, the president of Town Hall, New York, our moderator, Mr. George V. Denny, Jr. Mr. Denny. (*Applause.*)

### Moderator Denny:

Good evening, neighbors. We are very happy to be here in Huntington to help you celebrate your 75th Anniversary. I don't know when I've been in a city whose citizens take such pride in

their home town. The speech we heard at lunch today made even Mr. Joyce of California envious. It's great to have such enthusiasm for the place you live in, and from what I can see and from the people I've met, I think you deserve it.

Now by far the hottest and most domestic issue before this Nation today is the question of the continuation of OPA without restrictions. A dangerous by-product of this fight is the possibility that the winner may be determined by the side which can produce the greatest number of letters and telegrams to Congress. It'll be a sad day for democracy if we resort to this method alone of resolving our public questions by substituting "arithmocracy" for reason.

Wouldn't some of you who sent in letters or telegrams without stating your reasons be surprised if your Congressman replied, "Thank you very much for your opinion. But what are your rea-



sons for your opinion? Are you trying to help me reach a wise decision, or are you merely threatening not to vote for me if I don't do as you say?"

Now we would be the last at Town Hall to discourage citizens from participating in the democratic process by expressing their reasoned opinions to the representatives in Congress. But let's not make a mockery of this process. It's too dangerous a game to play with the economic life of our Nation. People may be inspired to send wires and telegrams by appeals to their self-interest or by a persuasive and effective radio voice. In a battle of this kind, truth and reason are at a serious disadvantage.

Tonight we hope to reason together in the light of all the essential facts which during the past few weeks have been effectively presented by the leaders of both sides of this controversy. So, Mr. Henderson, Mr. Joyce, Mr. Lewis, and Senator O'Daniel, we charge you with a grave responsibility to lead us in this nation-wide Town Meeting that we may reason together about this vastly important question.

Now our first reasoned statements will be made by a well-known shoemaker, a member of the Businessmen for OPA Committee, Mr. William H. Joyce, Jr., president of Joyce, Incorporated,

of Pasadena. Mr. Joyce. (*Applause.*)

**Mr. Joyce:**

Thank you, Mr. Denny. Thank you, nice people of Huntington, West Virginia, for your hospitality. Good evening, ladies and gentlemen. As you've just heard, I make shoes, and at this particular moment I'm sorry I didn't stick to my last.

I'm not going to discuss statistics or economics—I'll leave that for Leon Henderson. But I've formulated three simple questions I'd like to explore with you within the next five minutes.

Why am I in favor of the continuation of OPA without restrictions?

What is the opinion of the men and women who make up my company?

What is the opinion of experts?

First, why should I want OPA continued when my Irish nature is chafed by any controls? Why, indeed, when by ending price controls, we could immediately charge more money for our shoes, make immense profits, and "stick in my thumb and pull out a plum and say what a smart boy am I!" Because that kind of money must be given back with compound interest to feed the consuming and insatiable hunger of inflation.

The war period developed a sickness, a high fever, and a fast pulse in the body of our business structure. Definite, unpleasant, and

sometimes radical steps had to be taken quickly. Now the patient feels better and is in a hurry to get up and be about his usual activities, but the wise doctor and patient realize the absolute necessity of a slow and careful return to normal in order to avoid a collapse, which is often more serious than the original ailment — often fatal.

I should like to spring out of bed, quit taking bitter medicine, and tell the doctor to go jump in the lake, but I have been sick before, have made that mistake before, and now have just a little more sense and patience.

What are the opinions of the men and women who make up my company?

A questionnaire was circulated in our plants in Pasadena, California, and Columbus, Ohio, asking "Do you believe the OPA should be continued without restrictions?" Yes? No? And then I asked for their comments if they cared to make any.

Here are the results: Of the 547 returns tabulated to date, 472, or 86.3 per cent, favored continuation of OPA without restrictions. (*Applause.*) Of this total vote, 382 were women and 165 were men. Many of these questionnaires came in with comments interesting, varied, mild, or violent—but all indicative of the interest and intelligent thinking of the American people.

What is the opinion of experts?

The Committee of Economic Development whose board of trustees is composed of many of America's top-drawer businessmen established a research committee backed by hundreds of thousands of dollars to seek the solutions to a national problem. On April 23 they issued a pamphlet entitled "The End of Price Control—How and When."

Before reporting any findings, may I point out that we, the businessmen of this country, large and small, who make up the CED, paid our money to employ the best talent possible to give us the unvarnished truth and let the chips fall where they may. The results of this study may be in agreement or disagreement with those who financed and sponsored it, which make them even more valid.

I quote excerpts from this last month's report. "Price control has no permanent place in peacetime American economy. The restoration of economy of free prices in the near future must be our primary objective. Long-continued price control is a threat to our freedoms."

I continue to quote, "The abandonment of price control on June 30, 1946, would, we have reluctantly concluded, leave us unprotected against a dangerous rise in prices. Price control authority should be extended until the spring



of 1947, between March 31 and June 1."

These findings didn't please everybody and, apparently, they collided head on with certain pressure groups, of which the National Association of Manufacturers is one. This Association is spending hundreds of thousands of dollars in a propaganda campaign against OPA and asking people to write to their Representatives.

What can people do who favor OPA? They can be extremely effective by writing their own independent thoughts to their Congressmen and Senators, and businessmen can now join the National Businessmen for OPA Committee whose membership of large and small businessmen from coast to coast is swelling daily. Their address is 212 East Forty-ninth St., New York City.

I, on the other hand, accept the opinion of qualified and unbiased experts. I respect the opinion of the hundreds of men and women with whom I work, and I agree whole-heartedly with both that OPA controls must be continued without restriction until the country is well and the patient given a clean bill of health. I thank you. (*Applause.*)

**Moderator Denny:**

Thank you, Mr. Joyce. Now we have another reasoned statement from a distinguished radio commentator whose voice is familiar to many of you, Mr. Fulton

Lewis, Jr. Mr. Fulton Lewis. (*Applause.*)

**Mr. Lewis:**

Thank you, Mr. Denny. Good evening, ladies and gentlemen. The issue here tonight is not whether price control is to be continued. The issue is whether Congress shall require the OPA to behave itself, stop waging a glassy-eyed crusade of sociological fanaticism, and correct the mess that has been made of price control thus far. (*Applause.*)

I concede that realistic price ceilings on necessities that are in short supply should be continued until supply equals demand. But that's not what Chester Bowles, Paul Porter, the Communist Party, and the Political Action Committee, along with other groups that they've frightened into joining them, want.

They want OPA continued with the same blank check of arbitrary authority under which there is no butter, although there is an abundance of butter fat; in which there's no home building, although there's plenty of lumber and a building industry begging to build; in which there are no shirts and cotton dresses, although there are millions of bales of cotton surplus; in which more than 90 per cent of our meat is in the black market, although there are plenty of cattle. They want OPA continued on that same basis and that's the discussion here tonight.

The motive behind this propaganda campaign is purely political. It's a question of the personal political ambitions of individuals and groups with their eyes on the national election of 1948 and make no mistake about that. (*Applause.*)

It is one of the most powerful and most intellectually dishonest campaigns that I have seen in nearly 25 years of newspaper reporting. (*Applause.*) This propaganda machine, constructed with the utmost cleverness and financed by your taxes, is being used to panic the Nation with false fears and rigged-up statistics. You've been given a terrifying story of the inflation and depression that followed the last war—told that coal went up in price 675 per cent, steel 232 per cent, and then in the crash that followed, 106,000 businesses went into bankruptcy, and so forth.

The truth is that in the so-called depression year of 1921, about 23,000 business firms went into bankruptcy or just about the same number as in each of the following prosperity years up through 1928, and to get that frightening figure of 106,000, the OPA admittedly added to the 1921 total, the number of business failures during the four years that followed. The other figures were rigged up to terrorize you in exactly the same, intellectually dishonest way.

These people point to price figures which OPA wrote on a blackboard in 1942, and because the figures are still the same, they say that OPA has held the line.

I ask you, is it holding the line when you have to buy \$28 doors to go into a GI house because OPA price ceilings have driven out of production the doors that you want and could buy for \$6 each? There, alone, is \$22 worth of OPA inflation. (*Applause.*)

Is it holding the line when you have to pay \$3.50 for a shirt because price ceilings make it impossible to produce the \$1.95 shirt that you want to buy?

Is it holding the line when you spend a dollar for enough cream to make 14 ounces of butter because OPA won't let dairies produce the butter for 60 cents a pound?

Is it holding the line when you pay 20 per cent more for meat because of the inefficiency and waste of black market slaughtering where hides and glands and other by-products that help bring down the price are thrown away and because of the additional charge the black marketeer has to charge you to cover his risk of getting caught?

The issue is whether Congress is to write another blank check to perpetuate this disruption of the production we so urgently need, the same persecution of little people who are trying to cooperate while black marketeers thrive, un-



molested, the same pushing around of the public, the same untruths, the same half-truths of propaganda, the same glassy-eyed megalomania that Government must play public master instead of being the servant of us, the people.

The issue is whether Congress is to order OPA to clean its house and try to get the production which the President says correctly is needed so that we can get rid of government control safely, or whether it's to continue with extreme resistance to hold on to every price control as long as possible.

I say, ladies and gentlemen, that OPA by its falsifications, by its untrue propaganda, by its failure when we did trust them, to keep its promises to remove controls as soon as supply reached demand, has proven that it cannot be trusted. That is what Congress has decided, or is deciding, and for that reason I say that it is necessary to write into law this time what OPA is to do from here on.

America wants to go back to work. America is tired of Little Willie, who has locked himself in the operating room with a patient strapped to the table, indulging in a perpetual expedition in major surgery. Little Willie is all very sincere, and all that, but if someone doesn't take the anesthetic and the knife away from him, and

quickly, the patient is going to be dead. (*Applause.*)

**Moderator Denny:**

Thank you, Fulton Lewis, Jr. Now we're going to hear a slightly different view from the former director of OPA, who is now the chief economist of the Research Institute of America, Mr. Leon Henderson. Mr. Henderson. (*Applause.*)

**Mr. Henderson:**

Mr. Chairman, I've never spoken at Town Hall on a matter of greater gravity than that we discuss tonight. Nor have I ever spoken on a topic about which I felt my special experience gave me greater clarity as to the fearful risk involved.

I do not want to see my country deliberately choose national disaster—a tragedy that would shake the very basis of democratic government and the virility of its free competitive business system. Yet I feel deeply that if Congress in a fit of irritation and madness votes into law the crippling amendments adopted by the House, which despite what Fulton has told you are the same as repeal, then tragedy and disaster are inevitable.

The exact explosive power of any set of inflationary pressures is not easy to measure. One government agency, and it wasn't the OPA, has said that the pressure is now 8 to 10 times that which blew us into a world boom and a



depression after the first World War. Every fact I know, every observation I personally have made of inflation in foreign countries tells me that the inflationary pressure right now is like the power of the atom bomb. It can blow the value of your dollar to smithereens.

Inflation knows no politics—1948 or any other date, Mr. Lewis. (*Applause.*) There are some cynical, some ignorant, and some greedy persons who say inflation cannot be checked. Well, I deny that with all my soul. But it cannot be held if Congress ignores the will of the majority and it cannot be prevented if the Legislature listens to the greedy, the ignorant, the speculators, the short-sighted politicians and the lobbyists.

But OPA did hold prices down during the war, during a period when goods were much scarcer and dollars just as plentiful. It can do it again if Congress will give it the power and its support. But OPA cannot hold the line alone. Scarce materials must be controlled and they are scarce. The Government must watch its own spending and prudent businessmen must do their part.

The OPA must have help, too, in the kind of encouragement it gives its hard-pressed, overworked personnel in renewed courage to resist unwarranted price rises for you.

If OPA is discarded that will be a blow at majority rule which is for price control. The public should be master. Every poll shows that a great majority of our 35,000,000 housewives want price control and every poll shows that the great majority of our 6,000,000 farm families want price control. The same is overwhelmingly true of 15,000,000 families of organized labor. The public should be master. Even a recent poll of our businessmen, who make 89 per cent of our consumer-durable goods, shows that 54 per cent want price control.

If enemies of price control have their way, prices will go up instantly. A large department store owner told me only this week that the decontrolled items he sells are up from 5 to 60 per cent.

Many prices are too high now. It would be bad enough. The next move would be a price spiral—a flight to cash in savings and strikes for higher wages and no nation can keep its balance under such chaos.

I've seen first hand what happened to other countries. We hear a lot of talk about production taking care of inflation if the Government will only take the lid off prices. There has never been a time in history when inflated prices did not reduce and destroy production and at the same time bring with it bankruptcy, un-

employment, and a threat to the stability of Government.

Despite all the mistakes of OPA, and there have been some, this country has experienced, since V-J Day, a real, unprecedented gain in production. In 1945, 238 more new businesses started than closed in that year.

To hear the enemies blast it, you'd think that OPA had caused mills, and mines, and factories to be idle. That simply is not true. If it were, then workingmen and veterans would be the first to protest. Right now, 53,000,000 people are at work and there are less than 3,000,000 unemployed. This is 6,500,000 more than had jobs in 1940, the last peace year that was unaffected by war business.

America, Mr. Lewis, is back at work. Up to the coal strike, production was booming. Many important industries are making new highs—tires, for example. Industrial production, physical production is 35 per cent higher than 1940 average. If the enemies of price control would just keep their mouths shut a little while, this country will break all records for production and we'll have the real replenishing boom.

You can't get all the radios, autos, clothes, and food you want in one day, and it's a good thing for steady continued employment and our obligations to the starving abroad that we can't.

We can solve this thing. It will take the power to protect the citizens but we'll be a stronger Nation for having conquered our war weariness and our irritation and our weakness. God give us the wisdom and courage to choose the right road. (*Applause.*)

#### **Moderator Denny:**

Thank you, Mr. Henderson. Now we're going to have a little support on Mr. Lewis' side from the Democratic Senator from the State of Texas, Senator Lee O'Daniel. Senator O'Daniel. (*Applause.*)

#### **Senator O'Daniel:**

Mr. Denny, ladies and gentlemen. Leon Henderson can dish out statistics pretty fast, but the people can't eat them. (*Applause.*) I shall approach this subject from an entirely different standpoint because when I see this land which we proudly call "sweet land of liberty" destroyed by a gang of political pirates in OPA and other high governmental positions, I am going to shout the alarm from the housetops.

I am opposed to OPA because it is unconstitutional. (*Applause.*) There is not one word in the Constitution of the United States wherein the citizens delegated to their Federal Government the right to put a public price on one day or one hour of their life or on any commodity produced by expending one day or one hour of their life.



Under our Constitution, each American citizen retains to himself his God-given right to live as a free man and follow any lawful vocation of his own choice and has the exclusive right to specify the price at which he will sell his time or the product of his time.

When that individual right is usurped by his government, individual freedom is gone and personal liberty is no more. I do not claim that government price-fixing will not work. I am only saying that it will not work in a government of free people.

Hitler made it work—he made it work for a while—and he gave his followers butter, meat, bread, and clothing below cost of production. Mussolini did the same thing. But their misguided followers are now paying a severe price for that so-called social gain.

The same terrible price must eventually be paid by the followers of this destructive philosophy in any nation and all nations which impose it. It is a violation of the basic law of personal freedom and liberty and will always exact the same terrific penalty whenever and wherever practiced.

I realize now that there are some mighty good American citizens urging the continuation of OPA. They are considering it from an expediency standpoint, and it is because they have been completely misinformed and misled by the

propaganda of the designing and deceiving government officials.

The Communists are supporting OPA 100 per cent for the sole reason that they know it is unconstitutional and that its continuation in peacetime will further their plans and efforts to overthrow our American form of government. (*Applause.*)

I do not believe any sound-thinking American citizens want to trade their birthright for freedom—birthright of freedom and liberty—for a mess of OPA communistic pottage.

I am also opposed to OPA because it is impractical and dishonest. (*Applause.*) It is impossible to hold prices below the cost of production very long without production declining and demand increasing. That inevitably causes shortages. Our empty meat markets, empty bread baskets, empty milk bottles, and bare clothing racks stand today as a mute evidence that four years of government price-fixing in America has produced the biggest crop of shortages in the Nation's history. The longer OPA is continued the greater will be our shortages.

In an hysterical effort to cover up the havoc already wrought by OPA and deceive the people into believing that they are holding the line while you hold the bag, the New Deal dynasty is shoveling out millions of dollars in subsidies to bribe citizens to produce and sell

## THE SPEAKERS' COLUMN

**FULTON LEWIS, JR.**—Born in Washington, D.C., in 1903, Fulton Lewis, Jr. attended the University of Virginia. In 1924 he went to the *Washington Herald* as a reporter and later became city editor. From 1928 to 1937, he was with the Washington Bureau of Universal Service and International News Service. Since 1937 he has been a radio news commentator.

In 1939 and 1940, Mr. Lewis was chosen as one of America's Ten Outstanding Young Men. In 1942, he received the Alfred I. duPont Radio Commentator Award. He was founder and first president of the Radio Correspondents Association. He was author of the column, "The Washington Sideshow," from 1933 to 1936. He is also a contributor to magazines.

**WILLIAM H. JOYCE, JR.**—Mr. Joyce is president of Joyce, Inc., shoe manufacturers, of Pasadena, California.

**W. LEE O'DANIEL**—One of the more colorful U. S. Senators is W. Lee (Pappy) O'Daniel of Texas. His campaign for election was enlivened with hillbilly music and the slogan "pass the biscuits, pappy," a memento of his days in the grain and flour milling business.

Born at Malta, Ohio, in 1890, Senator O'Daniel was educated in the public schools of Arlington, Kansas, and at business college in Hutchinson, Kansas. He was in the grain and flour business from 1909 until 1938. From 1930 until 1941 he was Governor of Texas. In June, 1941, he was elected to the Senate to complete the term ending in 1943. At

that time he was re-elected. He is a member of the Commerce Committee.

Senator O'Daniel's hobbies are music and poetry. He is composer of the song "Beautiful Texas" and other songs, and the author of many poems.

**LEON HENDERSON** — Mr. Henderson, former Director of the Office of Price Administration, received his A.B. at Swarthmore and did his graduate work in economics at the University of Pennsylvania. He was instructor at Wharton School (University of Pennsylvania) from 1919 to 1922, and assistant professor of economics at Carnegie Institute of Technology the next year. From 1925 to 1934, Mr. Henderson was director of consumer credit research for the Russell Sage Foundation in New York City.

Since 1934, Mr. Henderson has been associated with the Federal Government in many capacities. His services as an economist have been used by the NRA, the National Industrial Recovery Board, the U.S. Senate Committee on manufacturers, the Works Progress Administration, the Securities and Exchange Commission, the Advisory Committee to the Council of National Defense, the Office of Price Administration and Civilian Supply, the Supply Priorities and Allocation Board, and others. Mr. Henderson resigned from his position as director of the Office of Price Administration in December, 1942. He is a former chairman of the Board of editors of the Research Institute of America, and is now an economic consultant on postwar problems.

at a loss, and in so doing, my friends, they are wallowing in the bottom of the gutter of dishonesty by borrowing this subsidy money on the credit of American citizens not yet born. (*Applause.*) One main purpose of this skullduggery is to court the votes of consumers for re-election of their "Yes men" in Congress.

The next step in price-fixing, my friends, will be the one taken by Hitler and Mussolini and all other dictators.

There is one inevitable step that follows price-fixing and it is compulsory production. The Communists are already talking about this, and if OPA is continued much longer you can expect some of their fellow-traveling New Dealers to introduce a compulsory production bill in Congress patterned after the peacetime compulsory military training bill. That will mean not only compulsory production but also compulsory



work, and that will be the end of freedom in America.

I also want to remind you that OPA is just one of many departments and bureaus in Washington which is selling America down the river. They all work together as a team in fixing prices, fostering strikes, and squandering billions of dollars, and all get their orders from the same source. But the main reason why they are making such a desperate fight for the continuation of OPA is because it has within its fold the finest assortment of expert propaganda agents and most of the field marshals who are directing the plan to overthrow our American form of government.

These fellow travelers have junked the fundamental principles of democracy and substituted foreign "isms"—all based on powerful government control. The OPA is the citadel of their activity. It is the one nest of rotten eggs in Washington that ought to be broken up, discontinued, abolished, and obliterated. (*Applause.*)

**Moderator Denny:**

Thank you, Senator. Now, if you gentlemen will join me up here around the microphone, we'll have a little conversation among ourselves before we take the questions from this representative Huntington audience. We haven't heard from Mr. Joyce here for a while. Mr. Joyce, have you a com-

ment or question for either of these gentlemen?

**Mr. Joyce:** I have a lot of comments, but I don't suppose I have time to make them. I'd like to ask Mr. Lewis and Senator O'Daniel if they agree that OPA was a wartime measure designed to hold down the cost of living and as a break against inflation, and since general maximum price regulation went into effect in March, 1942, has the OPA been successful in this specific purpose?

**Mr. Denny:** Mr. Lewis?

**Mr. Lewis:** In the specific original purpose which you state there, sir—your question is in two parts. The first part is what the OPA was designed to do, and I agree with your idea of what it was designed to do. Insofar as whether or not it succeeded in holding the line and holding prices down is concerned, I most emphatically say that in line after line after line, it not only did not hold it down, but at the present time it actually is producing inflation. (*Applause.*)

**Mr. Joyce:** Do you have figures to prove that?

**Mr. Denny:** Mr. Henderson?

**Mr. Henderson:** Between May of 1943 and this present time prices in America didn't go up more than about 4 per cent. (*Boos and shouts.*) Over all prices—the whole price level didn't go up over 4 per cent. That is the best record that is made by any price control agency in any country in the

world regardless of whether it was totalitarian or democratic or what.

**Mr. Denny:** Mr. Lewis.

**Mr. Lewis:** Mr. Denny, I would say that those figures that Leon has just stated—I'm sure he really believes in (*laughter*), but I also am very sure that it is the result of what we might call self-OPA-tion. (*Laughter and applause.*)

**Mr. Henderson:** You may recall there was a question about how much the cost of living had gone up as to whether you'd raise wages. The best people on statistics outside of the Government—the American Statistical Association—went into that and rendered a bill of real health as far as the statistics on cost were concerned.

**Mr. Lewis:** I would like to comment on that. That is one of our greatest troubles — we've got plenty and plenty and plenty of statisticians—nothing but statisticians—and nobody who ever saw a cow. (*Applause and laughter.*)

**Mr. Henderson:** You and Senator O'Daniel sort of make the impression that the United States is a little bit short on goods. Why, we are eating about 20 to 30 pounds of meat a year more than we ever ate; we've got 35 per cent more manufactured food, and right now we're producing 35 per cent more than we ever produced in a peacetime. I wonder what 53 million people are doing—loafing on the job? (*Applause.*)

**Senator O'Daniel:** I think I want to compliment Leon Henderson on his statistics. He can furnish statistics for both sides. While he was director of OPA, he got up a lot of statistics that enabled him to resign and get a better job as chief economist with the Research Institute of America. (*Applause.*)

I have here before me a confidential analysis, and recommendation from members put out by the Research Institute of America, of which he is their chief economist. I would like to read it all to you folks because he has an entirely different philosophy—at least, this Institution of which he is the chief economist puts out different statistics and a different philosophy altogether. Let me read just one thing in this report of which he is the chief economist. He is talking to them and getting paid for it. Then he comes out here to you and tries to support a rotten department in Washington of which he was once head.

Here, let me quote: "Congressional revolt against OPA is important for more reasons than its effects on price control. It's a symptom of the impatience with all government controls that has been brewing for years now; also a protest against the bad-guessing and inconsistency in government economy policy since V-J Day. It was to be expected that the explo-



sion, when it came, would be violent." Do you subscribe to that?

**Mr. Henderson:** You were going to quote some statistics. There isn't a single statistic in that. (*Shouts of applause.*)

**Mr. Denny:** Wait a minute, Leon. They can't hear you.

**Mr. Henderson:** I was guilty of literally thousands of statistics before congressional committees on some of which the Senators served. Did you ever hear that one of them went sour and was challenged by any Congressman or Senator as being wrong?

**Senator O'Daniel:** No. (*Applause.*)

**Mr. Joyce:** Well, let me have a crack at this. I am not posing as an expert, and when they mention that there are no shirts, I have yet to see a man without a shirt. (*Applause.*) But I am going to talk about something I know—if they are throwing statistics—because I can throw just one. In the shoe business, from 1936 to 1940, in March—every March we took as an index—there were produced 34.1 million pairs per month. In February of this year, there were 40 million pairs of shoes produced, and in March of this year, there were 42 million pairs of shoes produced, or 20 per cent more than the base period of 1936 and 1940. (*Applause.*)

**Mr. Denny:** Thank you, Mr. Joyce. Now Mr. Lewis.

**Mr. Lewis:** In answer to Leon's statement about these statistics, I certainly cannot, at this time, remember any statistics that Leon ever sent to Congress being challenged. We are not at the present time discussing Leon's administration of OPA. We are discussing the administration of OPA at the present time, and insofar as the statistics that have gone to Congress from Mr. Chester Bowles and the present statisticians of OPA are concerned, they are almost without exception, dishonest, misleading, and absolutely, in many cases, untrue. (*Applause.*)

**Mr. Henderson:** Mr. Bowles can take care of Fulton Lewis any time he wants to. I'll read you from the *U. S. News*, a business paper. "Radio sets are turned out at about the 1941 volume, which was high. Electric iron production is back to 1941 levels. Vacuum cleaners are being produced in near-record volume. Clocks and watches are back to prewar production. Passenger tire output is 30 per cent above prewar level. Automobile output is dragging."

**Mr. Denny:** Thank you. Now I think we have come to the place where we can let these Huntington people in on the question period, so we are going to pause briefly for station identification.

**Announcer:** You are listening to America's Town Meeting of the Air tonight in Huntington,

West Virginia, where we are the guests of the Huntington Chamber of Commerce, Station WSAZ, and Marshall College. Our topic is, "Should the OPA Be Continued Without Restrictions?"

We have just heard from Economist Leon Henderson, Commentator Fulton Lewis, Businessman William H. Joyce, and Senator Lee O'Daniel. They are about to take questions from the audience.

We want to take this opportunity to congratulate one of the 183 stations of the American Broadcasting Company, which are bringing you this coast-to-coast, nation-wide Town Meeting, Station KABC, in San Antonio, Texas, which has just started broadcasting on 50,000 watts, and we are happy to send our congratulations to KABC on its new and powerful voice.



# QUESTIONS, PLEASE!

*Mr. Denny:* Because we are on tour now, we have discontinued the written questions from our radio audience as each week for the next few months our program will originate away from New York. However, to promote good questions, we are still offering a \$25 U. S. Savings Bond for the question considered best in the opinion of our committee of judges, for the purpose of bringing out facts and clarifying discussion, provided the questions are limited to 25 words.

Let's see if this Huntington audience can't beat our New York audience for good questions. Let's start with the gentleman right there. Yes?

*Man:* I'd like to ask Mr. Henderson how he gets the 4 per cent increase of the cost of living when the Government is granting all down the line 18½ per cent to everybody that asks for it.

*Mr. Henderson:* I said that the total price level, of which the cost of living is only a part. Now there have been a number of cost of living items gone up because Congress forced them that way, but as far as the price level is concerned, I still say it's a most magnificent record, and it has saved you literally hundreds of dollars.

*Mr. Denny:* Thank you. The

gentleman down here on the right. Yes?

*Man:* Senator O'Daniel. What would the Senator use if price restrictions were taken off to save our economic system?

*Senator O'Daniel:* To save our economic system, the Government must be taken completely out of price fixing. I'd leave the job to 140,000,000 citizens who had done a pretty good job of it up until the New Deal job came along and tried to put them all into straight jackets. (*Applause.*)

*Mr. Denny:* Thank you. The lady in the back of the hall. Yes, Mr. Henderson?

*Mr. Henderson:* The New Deal went to the post four times in presidential elections and several times in between and the majority of people returned it to government. (*Applause.*)

*Mr. Denny:* Senator O'Daniel.

*Senator O'Daniel:* May I also say that while the Government is putting ceilings on everything else they have not put a ceiling on government cost per capita. In 1920, the cost of the Federal Government per person in the United States was \$60.84. That was after the last war. After this war, the cost of your Government for each and every citizen in America has risen from \$60.84 to \$719.25. Let's put a ceiling on the cost of Government.

*Mr. Denny:* Mr. Henderson?

*Mr. Henderson:* I'd like to ask the Senator who votes the appropriations if it isn't the Senate of the United States in the Congress? (*Applause.*)

*Senator O'Daniel:* And I want to answer Leon Henderson and say that the entire responsibility for the policy making of this Nation rests in the hands of the Senate and the House of Representatives and instead of hopping on Chester Bowles and Leon Henderson and any of these other folks that are ruining this country in the Executive Department, you'd better change your members of Congress and get some men down there in Congress in the House of Representatives and the Senate that want to correct this situation. (*Applause.*)

*Mr. Denny:* Mr. Joyce.

*Mr. Joyce:* I don't think that the Senator answered Leon Henderson's question and if he condemns the present operation of the House and the Senate perhaps he is suggesting a substitute for himself. (*Applause.*)

*Senator O'Daniel:* I think I made my position fairly clear when I said that I thought you should change every member in the House of Representatives and in the Senate of the United States who has served at least six years. I think one term of six years is enough to ruin almost any good man. You

ought to bring them home. (*Applause.*)

*Mr. Denny:* Thank you. The lady with the purple hat. Is that right, maybe it's brown. I don't know.

*Lady:* I'd like to direct this question to Mr. Lewis. I'd also like to have Mr. Henderson speak if he would. What proof have we that OPA has been or could be more effective in curbing inflation than production based upon supply and demand?

*Mr. Denny:* Mr. Lewis.

*Mr. Lewis:* The answer to your question is very simple, ma'am. There not only is no proof that OPA or indefinitely continued price control could do better than the law of supply and demand, as a matter of practical fact if you were to put all the economists and experts and statisticians and OPA—combine all of them, melt them and pour them into one pot—they wouldn't have in their combined heads enough brains to beat Old Man Law of Supply and Demand.

*Mr. Denny:* That got Mr. Henderson on his feet.

*Mr. Henderson:* I just wonder where Fulton was all the time, in this country, when OPA was holding the line against a great deal of difficulty. As far as the law of supply and demand is concerned, we have twice as much spending power right now. You can't make it up at once. A democratic gov-

ernment has a right to make a choice as to whether it will restrain itself and prevent itself from committing suicide. Until supply and demand are in balance—I'm against price control in peacetime—I'm in favor of a continuation to prevent us from doing harm to ourselves as was done after the last war. (*Applause.*)

*Mr. Denny:* Have you fellows decided who would take him on? All right, Senator O'Daniel.

*Senator O'Daniel:* I want to answer for Fulton Lewis, Jr. I want to answer Mr. Leon Henderson. From observations—and I've been listening to Fulton Lewis, Jr., for a long time—I think he is one of the greatest patriots we have. He has stood up over that radio and he's told the people of this Nation the truth about the ugly situation in Washington. (*Applause.*) He is one of the very few—I don't know of another commentator that is telling the truth like Fulton Lewis, Jr., is. I know a lot of stooges in the propaganda squad of the New Deal that have given you a lot of misinformation. But I want to tell you that I don't understand how Fulton Lewis has been able to stay on the air—why the gestapo has not put him off long before this. (*Applause.*)

*Mr. Denny:* Well, Senator, that's pretty free air, especially on Town Meeting. The gentleman on the front row. Yes?

*Man:* Mr. Henderson stated that OPA froze prices and kept them down. I'd like to have Mr. Henderson name three.

*Mr. Henderson:* The OPA froze the price on steel and kept it down—80 million tons a year. The OPA froze the price on all metals and kept them down and even aluminum went down. The OPA froze the price on many of the ordinary articles of use that are still selling for five cents in the five and ten cent stores. All you have to do is to look at a comparison of them. I did not say that they kept them absolutely rigid. I said that OPA held them stable and that they did a better job of control than any other country in this world. I'd like to have that as my recommendation. I'd like to be as proud as Bowles ought to be today. (*Applause.*)

*Mr. Denny:* Senator O'Daniel.

*Senator O'Daniel:* I would like to say that I wish we had time on this radio program so that I might read to the folks in the radio audience the big file of letters I have in my hands and thousands of others from businessmen, from GI's, from housewives, and from all over my state and other states, telling me of the hardships that they have endured on account of OPA. If anybody will write in, I'll mail them to you.

*Mr. Denny:* Thank you. The gentleman here.



*Man:* I'd like to ask Mr. Joyce what can businessmen do to let Congress know that business really wants price control?

*Mr. Joyce:* Well, there's so much propaganda going on now and so many pressure groups that I suppose Congressmen don't know really who is writing what. I think this, though, and I am subjected to pressure letters, too. I am told by certain people to write my Congressman and Senator and tell them that I don't like OPA and they've even suggested the phraseology. I believe that it would be effective if people who believe that OPA should be continued for eight or nine or ten months would write their Congressman and their Senator in their own, native, simple language without having any tailor-made phraseology and tell them just what they think about the subject. Thank you. (*Applause.*)

*Mr. Denny:* Thank you, Senator?

*Senator O'Daniel:* I just want to say that what few businessmen there are in the United States that want OPA continued can get the instructions of what to do by corresponding and getting those instructions from the Thousand-Dollar Club. (*Laughter and applause.*)

*Mr. Henderson:* May I make just one remark?

*Mr. Denny:* Yes, Mr. Henderson?

*Mr. Henderson:* The mail in

favor of OPA is about 20 to 23 to 1. (*Applause.*)

*Mr. Denny:* Mr. Lewis?

*Mr. Lewis:* That statement is not true. (*Shouts.*) And it's as flat as that. Mr. Henderson has just, with his usual off-the-cuff manner, merely picked that second-hand out of the blue sky. I have spent this afternoon calling the offices of members of the Senate and the House of Representatives in Washington. In the case of at least one Connecticut Representative, who happens to come from the district in which Mr. Chester Bowles lives, his mail is 12 to 1 but it's 12 to 1 against the OPA. (*Applause.*)

*Mr. Denny:* All right, Mr. Henderson.

*Mr. Henderson:* I did not pick that off the cuff. I never pick one of the cuff and Fulton knows it better than anybody in this audience. If I'm wrong, then Senator Barkley and Senator Wagner and the members of the Banking and Currency Committee are wrong also. That's where I got it. (*Applause.*)

*Mr. Denny:* Mr. Lewis?

*Mr. Lewis:* If Senator Barkley and Senator—who did you say?

*Mr. Henderson:* Wagner.

*Mr. Lewis:* Wagner made that statement, Senator Barkley and Senator Wagner are wrong. I might add, Leon, that you do pick them off the cuff. You picked the 4 per cent increase off the cuff.

If you seriously think that the people in this hall or on the radio who have to do the buying believe any such statement that prices have only gone up 4 per cent, you just plead guilty. (*Applause.*)

*Mr. Denny:* Mr. Henderson?

*Mr. Henderson:* I took that statistic from the Department of Labor, Bureau of Labor Statistics, and if it's wrong, it's up to Fulton to show that the department is wrong. In a long life of earning a living by honest statistics, I have never—(*laughter*)—I have never been challenged about a B.L.S. statistic.

*Mr. Denny:* Senator, this has gotten to a place where I want to call attention to my opening remarks, and I hope we're not going to try to solve this question by the number of letters that we can write to our Congressmen, for and against. I hope that through all this fire and heat, these excited feelings which are justified in many cases, we can, with our reason, find the right answers.

In just a moment you're going to hear Mr. Lewis and Mr. Leon Henderson in a final summary of tonight's discussion. In the meantime, a word from our announcer about coming programs.

*Announcer:* Next week your Town Meeting will originate in Pittsburgh, Pennsylvania, in the Syria Mosque Auditorium, where we will be the guest of the George Westinghouse Centennial Forum

on Science. Leading scientists from all parts of the country will be in Pittsburgh for a three-day session. Our subject will be "Science: Salvation or Destroyer of Mankind." Our speakers will be Dr. Harold C. Urey, Nobel prize winner of the University of Chicago; William L. Laurence, science writer for the *New York Times* and this week awarded the Pulitzer Prize; Dr. Selman A. Waksman, discoverer of a new drug, and professor at Rutgers University; and Dr. Herman N. Bundesen, columnist and Health Commissioner of Chicago.

As an appropriate follow-up to this meeting, we turn to the following week to the subject of our religion, when our program will originate in Columbia, Missouri, where we will be the guests of Stephens College. Our subject will be "Are Church Creeds Essential to a Religious Life?" Our speakers will be Rabbi Ferdinand I. Isserman of the Temple Israel of St. Louis; Paul Weaver, head of the Department of Philosophy at Stephens College; Dr. Frank Clark Fry, president of the United Lutheran Church in America; and a fourth speaker to be announced.

Let me remind you, friends, that copies of tonight's discussion, as well as all Town Meetings, are available in full, including questions and answers, in the Town Meeting Bulletin, published for your convenience at 10 cents. You

may receive it regularly each week for a year for \$4.50, for six months at \$2.35, and for 11 weeks for one dollar. Address your orders to Town Hall, New York 18, New York. Now, Mr. Denny.

*Mr. Denny:* For the summaries of tonight's discussion, we'll hear first from Mr. Fulton Lewis, Jr., for the negative. Mr. Lewis.

*Mr. Lewis:* Mr. Denny, ladies and gentlemen. I listened with great interest to the two presentations that were made in the beginning and I find by analysis that Mr. Joyce based his argument chiefly on the fact that 83 per cent of his employees were in favor of continuing price control without restriction. That is hardly an argument. That proves merely that they were well propagandized and they should have been with the propaganda machine that has been put to work by the OPA in the last three months.

Insofar as Mr. Henderson is concerned, his chief argument has been the wonderful job that OPA has done thus far, holding down the price of all items, he said, to a 4 per cent rise since the beginning of price control. Mr. Henderson just stood on this platform and made that statement to you, said that he didn't pull them off the cuff at all, that these were Bureau of Labor Statistics figures. I'm sure he didn't realize it, but it so happens that I have the Bureau of Labor Statistics figures right here.

This is what they show: For all items 1941, 105.2; for all items 1945, 128.4. That, you understand, is a 4 per cent increase! (*Applause.*)

*Mr. Denny:* Thank you, Mr. Lewis. Now the summary for the other side of the question, we'll hear Mr. Leon Henderson.

*Mr. Henderson:* First of all, I've been asked by my compatriot, Mr. Joyce, to say that the remark made by Mr. Lewis as to propaganda is slanderous. The second one is that I said all prices, not from the beginning of OPA, but from the date which my compatriot here picked.

Our opponents have argued tonight very badly that higher prices, or abandonment as Mr. O'Daniel said, would give us full production. Everything I know of the history of inflation tells me that they are wrong. They have blasted at OPA for protecting your cost of living and the value of your savings dollar.

I don't believe Bowles, Porter, or the OPA are Communists or dominated by Communists; I think they have done a brilliant job. If OPA is destroyed or torpedoed by crippling amendments, this country faces an absolutely certain prospect of inflation. That would mean reduced production, that would mean a lowered standard of living for millions, and destruction of the middle class. It would mean that



business would seek higher prices and labor higher wages—the old destroying spiral. All who have saved would suffer—your bonds, your insurance, your bank deposits.

In this critical hour of trial and choice, I turn for guidance to F. D. Roosevelt, who told me in the dark summer of 1940 we had two enemies: one of them was the Nazis, and one of them was inflation. If he were here tonight, I know what he would do. (*Applause.*)

Mr. Denny: Thank you, Leon

Henderson, Fulton Lewis, William Joyce, and Senator O'Daniel.

Now the winner of the bond tonight is the lady in the brown hat\* who asked the question, "What proof have we that OPA could be more effective in curbing inflation than production based on the law of supply and demand?"

Our thanks go to Station WSAZ, to Mr. W. A. Buchanan of the Huntington Chamber of Commerce, Marshall College, and the Chesapeake & Ohio Railroad for their splendid cooperation and hospitality. (*Applause.*)

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\*Mrs. Jessie K. Payne, Huntington, W. Va.

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